



Highlights of [GAO-03-887](#), a report to the Chairman, Subcommittee on Defense, Committee on Appropriations, House of Representatives

### Why GAO Did This Study

GAO is conducting a series of reviews in response to a congressional request to identify ways to improve the Department of Defense's (DOD's) availability of high-quality spare parts for ships, aircraft, vehicles, and weapons systems. This report focuses on the effectiveness of the U.S. Navy's spare parts support to deployed ships. It examines (1) the extent to which the Navy is meeting its spare parts supply goals, (2) the reasons for any unmet supply goals, and (3) the effects of spare parts supply problems on ship operations, mission readiness, and costs.

To conduct the review, GAO looked at data on parts requisitions, maintenance work orders, and casualty reports for various Navy ship deployments between fiscal years 1999 and 2003.

### What GAO Recommends

GAO is recommending that the Navy (1) develop plans to conduct periodic ship configuration audits and ensure that configuration records are updated and maintained, (2) ensure that parts demand data are entered into ship supply systems promptly and accurately as required, (3) periodically purge unneeded spare parts from ship stocks to reduce costs, and (4) ensure casualty reports are issued consistent high-priority maintenance work orders as required. DOD concurred with the first three recommendations and the intent of the fourth recommendation.

[www.gao.gov/cgi-bin/getrpt?GAO-03-887](http://www.gao.gov/cgi-bin/getrpt?GAO-03-887).

To view the full product, including the scope and methodology, click on the link above. For more information, contact William M. Solis at (202) 512-8412 or [solisw@gao.gov](mailto:solisw@gao.gov).

## DEFENSE INVENTORY

# Opportunities Exist to Improve Spare Parts Support Aboard Deployed Navy Ships

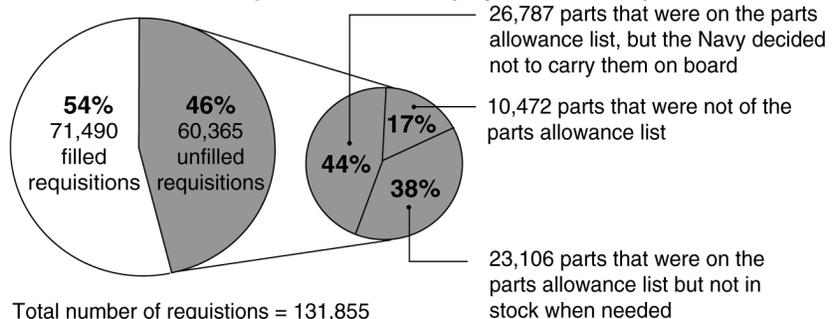
### What GAO Found

In typical 6-month deployments at sea, Navy ships are generally unable to meet the Navy's supply performance goals for spare parts. GAO's analysis of data for 132,000 parts requisitions from ships in 6 Atlantic and Pacific battle groups deployed in fiscal years 1999 and 2000 showed that 54 percent could be filled from inventories onboard ship. This supply rate falls short of Navy's long-standing 65 percent goal. When parts were requisitioned, maintenance crews waited an average of 18.1 days to get the parts—more than 3 times the Navy's wait-time goal of 5.6 days for ships outside the continental United States. The Navy recognizes it has not met its supply goals for over 20 years.

Two key problems contribute to the Navy's inability to achieve its supply goals. Its ship configuration records, which identify the types of equipment and weapons systems that are installed on a ship, are often inaccurate because they are not updated in a timely manner and because audits to ensure their accuracy are not conducted periodically. In addition, the Navy's historical demand data are often out-of-date, incomplete, or erroneous because supply crews do not always enter the right information into the ships' supply system databases or do not enter it on a timely basis. Because configuration-record and demand data are used in models to estimate what a ship needs to carry in inventory, inaccuracies in this information can result in a ship's not stocking the right parts for the equipment on board or not carrying the right number of parts that may be needed during deployment. The Navy's reasons for unfilled requisitions are shown in the figure below.

While precise impacts are not always well defined, the Navy's spare parts supply problems can affect a deployed ship's operations, mission readiness, and costs. GAO's analysis of data on 50,000 work orders from 6 deployed battle groups showed that 58 percent could not be completed because the right parts were not available onboard. More complete reporting of work orders identified as critical or important would have resulted in a more complete assessment of ship mission readiness. In addition, the Navy expends substantial funds—nearly \$25 million for six ships GAO reviewed—to maintain large inventories that are not requisitioned during deployments.

**Reasons for Unfilled Requisitions for Six Deployed Battle Groups, Fiscal Year 1999-2000**



Source: GAO analysis of Navy data.

Note: Because of rounding, percentages may not add to 100.